

as a cash out, and to the extent it is used during the AFC period, is excess compensation.

- Any payment (overtime) that is greater than twice the regular daily or hourly rate qualifies as excess compensation.

Note: Payment of double time and a half for work on a holiday does not violate this provision. The standard compensation for work done on the holiday is compensated at time and a half. The standard compensation for the holiday, plus time and a half for working after regular work hours, equals double time and a half. Accordingly, the employee is not earning more than twice his or her regular rate of pay for the work done on the holiday.

- Any termination or severance pay. Note that a termination or severance payment, which does not qualify as reportable compensation, would not be excess compensation because it is not reportable.
- Payment for extra work done in which the assignment of extra duties was based upon the employee's notification of intent to terminate or retire. (See the "Retirement Bonus or Incentive" paragraph on page 4—8 PERS.)

Note: Refer to DRS Notices 84-002, 95-010 and 98-001 for more information about excess compensation.

Excess compensation for PERS Plan 1 and Plan 2 members includes:

- A cash out of any form of leave other than annual. The most common example is sick leave. Any sick leave cash out that is included in a retiree's AFC qualifies as excess compensation.

Note: If you are a state agency or an educational employer, do not report sick leave cash outs for your employees. Sick leave cash outs are not included in the employee's retirement benefit calculation.

- If a portion of an allowance or reimbursement qualifies as reportable compensation; i.e., car allowance, that portion is excess compensation. Generally, allowances and reimbursements do not qualify as reportable compensation.

Reportable Compensation Table

The table provided on pages 4—13 PERS and 4—14 PERS is a quick reference guide to help characterize payments for PERS Plan 1, Plan 2 and Plan 3. The short answer refers you to the WAC that states why the payment does or does not qualify as reportable compensation. Review the full text of the WAC to be sure you have correctly identified the payment in question.

PERS REPORTABLE COMPENSATION TABLE

Type of Payment	PERS 1 Reportable Compensation	PERS 2 and 3 Reportable Compensation
Annual Leave Cash Outs	Yes — WAC 415-108-456	No — WAC 415-108-456
Assault Pay (State Emp.)	Yes — WAC 415-108-468	Yes — WAC 415-108-468
Base Rate	Yes — WAC 415-108-451	Yes — WAC 415-108-451
Car Allowances	No — WAC 415-108-485 ¹	No — WAC 415-108-485
Cafeteria Plans	Yes — WAC 415-108-455	Yes — WAC 415-108-455
Deferred Wages	Yes — WAC 415-108-459	Yes — WAC 415-108-459
Disability Payments	No — WAC 415-108-477	No — WAC 415-108-477
Disability Retirees	No — RCW 1.40.310 ² (until requirements are met)	No — RCW 1.40.670 ² (until requirements are met)
Disability: Salary lost while on disability leave	Yes — WAC 415-108-468 RCW 41.40.038	Yes — WAC 415-108-468 RCW 41.40.038
Employer Provided Vehicle	No — WAC 415-108-480 ³	No — WAC 415-108-480
Employer Contributions	No — WAC 415-108-459	No — WAC 415-108-459
Fringe Benefits	No — WAC 415-108-475	No — WAC 415-108-475
Illegal Payments	No — WAC 415-108-482	No — WAC 415-108-482
Legislative Leave	Yes — WAC 415-108-464	Yes — WAC 415-108-464
Longevity/Education Attainment Pay	Yes — WAC 415-108-451	Yes — WAC 415-108-451
Nonmoney Maintenance	Yes — WAC 415-108-470 ⁴	No — WAC 415-108-470
Optional Payments	No — WAC 415-108-483	No — WAC 415-108-483
Payments in Lieu of Excluded Items	No — WAC 415-108-463	No — WAC 415-108-463
Performance Bonuses	Yes — WAC 415-108-453	Yes — WAC 415-108-453

¹ A portion of the value of an employer car allowance may be reportable. See WAC 415-108-485.

² See DRS Notice 94-006; you may find on the DRS Web site under DRS Notices by Subject.

³ A portion of the value of an employer provided vehicle may be reportable in Plan 1 only.

⁴ A portion of the value of nonmoney maintenance provided may be reportable in Plan 1 only.

(Continued on next page)

PERS REPORTABLE COMPENSATION TABLE (Continued)

Type of Payment	PERS 1 Reportable Compensation	PERS 2 and 3 Reportable Compensation
Retroactive Salary Increase	Yes — WAC 415-108-457	Yes — WAC 415-108-457
Reimbursements	No — WAC 415-108-484	No — WAC 415-108-484
Reinstatement Payments	Yes — WAC 415-108-467	Yes — WAC 415-108-467
Retirement or Termination Bonuses	No — WAC 415-108-487	No — WAC 415-108-487
Severance Pay – Earned Over Time	Yes — WAC 415-108-458	No — WAC 415-108-458
Severance Pay – Not Earned Over Time	No — WAC 415-108-488	No — WAC 415-108-488
Shared Leave – State Employees	Yes — WAC 415-108-468	Yes — WAC 415-108-468
Shared Leave – Local Government Employees	No — WAC 415-108-468	No — WAC 415-108-468
Sick Leave Cash Outs – State Employees	No — WAC 415-108-456	No — WAC 415-108-456
Sick Leave Cash Out – Local Government Employees	Yes — WAC 415-108-456	No — WAC 415-108-456
Standby Pay	Yes — WAC 415-108-469	Yes — WAC 415-108-469
Time Off With Pay	Yes — WAC 415-108-456 WAC 415-108-465	Yes — WAC 415-108-456 WAC 415-108-465
Union Leave ⁵	Yes — WAC 415-108-466	Yes — WAC 415-108-466
Worker's Compensation	No — WAC 415-108-479	No — WAC 415-108-479

⁵ Only specific types of union leave are reportable. See WAC 415-108-466.